

COMMITTEE ON ADMINISTRATION/INFORMATION SYSTEMS

October 15, 2002

5:30 PM

Chairman Gatsas called the meeting to order.

The Clerk called the roll.

Present: Aldermen Gatsas, Guinta, Osborne, Forest and O'Neil

Messrs: Mayor Baines, Alderman Lopez, V. Lamberton, S. Tellier

Chairman Gatsas addressed Item 3 of the agenda:

Review and discussion relative to the proposed reorganization of the Board of Assessors.

Alderman O'Neil moved the item for discussion. Alderman Forest duly seconded the motion.

Chairman Gatsas asked are we going to hear some proposals here or where are we at.

Alderman O'Neil stated can I get a clarification. Maybe that is the first place to start. I know that HR took this up. Have they made any changes to the original proposal? With everything that is here, I am not clear on that.

Alderman Lopez stated I thought the Mayor was going to be here but there are some changes that we discussed and he was going to present them to your Committee. Is there anybody in the Mayor's Office? I think Ginny went to get him.

Mayor Baines asked do you want me to talk about both issues first. This evening your Committee is being presented with two efforts to restructure the format that we have in government today. Most of it has been well chronicled but let me just review both proposals in summary and then we can follow the procedure set forth by the Chairman. What we have attempted to present to the Board...let's talk first about the creation of the department that will include Health, Elderly and Youth Services. That proposal...I think this is the third or fourth time it has been before the Board in different...

Chairman Gatsas interjected we are just doing the Assessors right now.

Mayor Baines stated okay what we have put forward for consideration and it is somewhat revised from the last time we talked to the Human Resources Committee...we are looking at with the retirement of Mr. Porter an opportunity to look at exactly the way that we fulfill our responsibilities related to the functioning of the Assessor's Office and our capacity to follow the State framework of revaluation or capturing values on a five year period and also looking at how we could structure that to provide the resources that are necessary under any proposal that you will be considering. There is going to be a need to increase the number of people functioning in that department. We propose looking at some of the resources that would be saved by not filling Mr. Porter's position to fund positions at the appraiser level and Ms. Lamberton would be available to talk a little bit about how the grades were established and how they would function. Also looking at creating a part-time Board of Assessors. I feel that that is critical to the reviving the process to make it more visible, more accountable if you will to the public and to the Board and having it function in the same way that you have your Planning and Zoning Boards function in the City at the present time. The abatement process would be dealt with what I feel would be a more democratic and more open process and would have the accountability not only to the Board of Mayor and Aldermen but also to the public. We propose a five person appointed board following the same procedures that we have with other boards and commissions in the City appointed by the Mayor for three-year terms with three alternates to insure that you would have a five-person board functioning all the time. Again, I believe the accountability aspect of that is absolutely essential going forward and I realize there could be some differences of opinion on all of these, however, as Mayor I believe it is my responsibility to present to you a system that will be providing the services that our taxpayers deserve but also making it more open and accountable, which I do not feel the present process totally fulfills. The other situation is related to the functioning of the department itself. It does not make any fiscal sense, and again with all of the challenges we are facing in our City, which are immense, I am not sure we have done an adequate job of communicating not only to the Board but to the public the challenge this City is facing financially as we move forward over the next three to five years. It is absolutely essential that we look for ways to bring about cost savings to make government more efficient, provide better services and make it more accountable to the public. We can no longer afford to have a full-time Board of Assessors at the pay levels that we are paying – almost \$250,000 for three top people in that department. It makes no sense and it doesn't make any cents as well. Sense and cents we are talking here but unfortunately it really translates into dollars. We have an ability to restructure, to reorganize and the way that I am coming at this...I realize there are certain allegiances to people and that is fine but government is not about that. It is about how we function and are accountable to the public not taking into consideration the issues that I feel have dominated this

discussion to date, at least behind-the-scenes. This is a proposal that will bring to government a more efficient operation of that office, a more accountable operation of that office and I believe it is worthy of support by this Committee and the full Board of Mayor and Aldermen. Thank you, Mr. Chairman.

Chairman Gatsas asked what are the changes that have been made here versus what the Human Resource Committee saw.

Mayor Baines answered the biggest change...when I was before the Human Resources Committee what I said initially was that as we look to restructuring I had basically presented a very lean proposal that didn't include all of the positions that we felt we would need going forward in terms of the number of appraisers that are available. I believe the plan that we have before you now will fully meet our obligation and allow that office to meet its statutory responsibilities as have been outlined by Mr. Tellier on other occasions. The previous proposal, I believe, had seven positions or eight and this one has ten.

Chairman Gatsas asked does this proposal take into consideration the State revaluation that we must do on a four-year process.

Mayor Baines answered we believe it does.

Chairman Gatsas asked so no outside company would have to come in to do the revaluation.

Mayor Baines answered we do not believe so. Again, that is going to be...we are going to learn as we go forward here as we apply it and I think Mr. Tellier has been very forthcoming in terms of the responsibilities that we have. We believe that this proposal, if we put it in effect in a timeline that is appropriate as determined by this Board and with the recommendation of the Mayor will meet our responsibilities.

Alderman O'Neil stated, your Honor, I know there has been some discussion about the volunteer board versus doing it through the transition period with the two assessors that are still on board and if we could separate that out and just talk about the numbers, based on what I see before me there isn't a lot of difference between Mr. Tellier's proposal or the Assessor's proposal I should say and your proposal. It is a question of one position and if what I am looking at is correct, his original proposal had filling a third full-time assessor. Is that correct?

Mayor Baines replied that is correct.

Alderman O'Neil stated but that is really the only difference if I am looking at the...

Mayor Baines interjected I believe that is the only difference right now. Also, when you look at red lining salaries, you know looking at some of the original proposals if you did not do that then you would bring about additional cost savings but recognizing the situation we have before us and what I see as the Board's desire to move in that direction, that is why you see the difference that is not as great as perhaps it could be or should be.

Alderman O'Neil stated there really needs to be a transition period, which I don't think any of us can define. Is it a year? Is it four years? I think it was presented as really looking ahead five years down the road or ten years down the road on what the Assessor's Department may look like. I support this transition period where maybe we don't gain fully some savings in salaries but also by bringing the additional positions on Board hopefully we are going to have some very updated information on property values in the City.

Alderman Forest asked in this proposal that the Mayor has where do the present staff stand. Are there any lay-offs or people who are being cut from this or salaries being cut from this?

Ms. Lamberton answered no there are no salaries being cut. The current employees would continue to receive their salary. The proposal is...in addition to the current employees who are there now there would be three full-time appraisers added, which if you look at the chart it says under field staff it talks about residential appraiser. That position would be temporarily upgraded to make sure that the current employee retains his salary. Then there would be three additional appraisers added. We need a commercial appraiser. We know that. With the three other positions it would be up to the department head to decide what percentage of time is dedicated to commercial and residential and there is another position called appraisal technician or data collector as they call it and we already have the engineering technical and the rest of the staff would remain the same. Your Assistant to the Chief Assessor and your two Customer Service Reps.

Alderman Gatsas asked can you give us the numbers for the L/G 21 and the L/G 20 and L/G 14 and 18 please.

Ms. Lamberton asked the exact salaries. I am not sure I have that up here with me. The residential appraiser position title would be graded at a L/G 20. That salary starts out at \$41,453. The commercial appraiser would be a L/G 21 and that minimum is \$44,355.

Alderman Gatsas asked and the L/G 14.

Ms. Lamberton answered the minimum step is \$27,622.

Alderman Gatsas asked why don't you give us all of them. The L/G 18?

Ms. Lamberton answered that position is currently filled.

Alderman Gatsas asked what is the amount.

Ms. Lamberton answered today that position is \$43,233.

Alderman Gatsas asked and the one up above it is a new position so we don't know if it is a L/G 20 or L/G 21.

Ms. Lamberton answered correct. That would be up to the department head to decide if he needs two commercial or one commercial appraiser.

Alderman Gatsas asked and the field staff at the top.

Ms. Lamberton answered that is just the category. This part of the organizational chart represents field staff.

Alderman Gatsas asked what is the current salary of the Chief Assessor.

Ms. Lamberton answered I believe it is \$84,000. I could ask him.

Mr. Tellier stated \$83,000 and change.

Alderman Gatsas asked if we call it \$83,500 we will be fine.

Ms. Lamberton answered I think that is safe.

Alderman Gatsas asked the Assistant to the Chief Assessor.

Ms. Lamberton answered it is \$74,500.

Alderman Gatsas asked that is a L/G 17.

Ms. Lamberton answered no I am sorry. That is \$51,432. That is the current salary. Keep in mind as the budget projections were made here individuals would be getting step increases so that was all calculated in.

Alderman Gatsas asked and the L/G 13's.

Ms. Lamberton answered one of the positions is filled right now and that salary is \$35,907 and the position that is vacant, the minimum for that labor grade would be \$25,815.

Alderman Guinta stated the volunteer part-time board would have how many people.

Mayor Baines replied our recommendation is that you would have five members and three alternates.

Alderman Guinta asked and the five members are appointed or elected.

Mayor Baines answered appointed by the Mayor and confirmed by the Board of Aldermen, the same as we do with planning and zoning and other boards and commissions.

Alderman Guinta asked following up on a question prior regarding staff, how do we implement the current staff into the new Assessor's Office.

Mayor Baines answered I think that is something that obviously...we have a framework of a proposal. We have a budget and we would sit down and work with the Chief Assessor to fine-tune it and make final recommendations that would ultimately be approved by the entire board of Mayor and Aldermen. Personnel decisions, Alderman, would be the responsibility of the department head once the structure was established.

Alderman Guinta asked so the process would be that we would reestablish the Assessor's Office.

Mayor Baines answered that is correct.

Alderman Guinta asked we would vote on that up or down and assuming that passed then we go into the next step, which is how to integrate the current people into the new position.

Mayor Baines answered right and as Alderman O'Neil talked about there may be a need for a transition period. Some of the cost savings going forward, again in this particular department you are going to have increased costs no matter what because you have to meet that fundamental responsibility and to be honest with you it is going to be worth it to make sure that you have the structure in place to accomplish what we need to accomplish. What you are really looking at is

slowing the growth of that increase or not reaching the increases that you would have, in my view, if you go ahead with that original proposal to keep that full-time Board and also looking at cost savings as you go forward. If you red line, for example, the positions at a certain point in time when there are changes or retirements or other things that come about there might be an opportunity for additional cost savings.

Alderman Guinta stated earlier you had mentioned that the current process is not open and accountable. Could you expand on that?

Mayor Baines replied that is something that I feel very strongly about. I cannot emphasize the depths of my concern about the present process. It has been a process that has been here, I think, since the beginning of time as our City almost. I do not think the way we function now is appropriate given the fact that we do have the right-to-know laws, which...you know really you could ask some questions about how can we function as a Board of Assessors when we do not have posted meetings, we do not have minute taking at meetings and we do not have reporting out like you do with all of the other boards and commissions. I can't even appoint an advisory group in City government without having it covered under the right-to-know law and I respect that and I think that is the right thing to do in the society that we have today but the fact of the matter is you have a Board of Assessors...I think at one time when Mayor Wieczorek was trying to do something very similar to what we are proposing here, the answer was that basically it is a Board that is in continuous session. I think the days for that kind of approach are long gone and should have been gone a long time ago. I think we are at a point where there has to be an openness of the process, that there are public meetings, posted meetings, and the decisions are in the full view of the public. When somebody has an abatement, it should come before...like when somebody comes in with a plan for a building or a zoning appeal. This is the public business and it is very important public business because it impacts, first of all what we have for a tax base in the City and I think you found out this year how critical that tax base is and it also, I think, just by its functioning is a very public process not to assert, by the way, that anything has been going wrong in terms of the way people have handled the abatement requests but I think perceptions call it into question. They are not accountable or they should not be at the response of a Mayor or an Aldermen. They have a very important responsibility to judge every request that comes before them fairly. I am not saying they don't do that now but I think if it is in public view as our democracy requires of every other functioning function of City government, I think the public is better served because the perception then is that it is a fair and open process and that is what democracy is all about. That is why I feel so strongly about that.

Alderman Guinta asked is there a perception that this is an unfair process.

Mayor Baines answered to me it is just not right the way it is done right now. To me, it is that simple. It is not right given the fact that we do have right-to-know laws today.

Alderman Guinta asked how many complaints has your office received regarding the current process.

Mayor Baines answered lawsuits are being filed on a daily basis. I don't know what that means but it has a lot to do with the revaluation.

Alderman Guinta asked are the lawsuits being filed based on right-to-know issues or based on the revaluation.

Mayor Baines answered not on right-to-know issues.

Chairman Gatsas asked, your Honor, would you have a problem if we...let's say there are seven appraisers here, six and the Chief Assessor...I have a problem having a part-time volunteer Board so would you have a problem using those seven people in an open process and then having them report to the Committee on Accounts with whatever abatements have happened so that they are in full public view.

Mayor Baines replied I am willing to look at that as I said to you in our brief conversation last week. I have discussed that with the City Solicitor today. He is reviewing that to explore whether that is feasible to do or legal to do and he wasn't prepared to give me an opinion on it today but as I have indicated I am very interested in the openness of the process and if we could accomplish it in another way, Alderman, I would be open to looking at that.

Chairman Gatsas stated I just have a problem...I mean that would be like setting up a part-time volunteer board over the Planning Board to review the decisions that they have made and I feel that sometimes that puts you into a conflict because if the Assessor's Office has made a decision on a piece of real estate there is no exact science to that. It is something that is a moving target basically. For them to come in and say that we are overruling that, I think you are going to find a situation in the Assessor's Office where nobody is going to be very sure that they have the support going forward. Now if they are dealing with that on their own level there is a give and take between the six of them for a decision-making process and they would sit down as a board and review that process in an open forum and then report those out...I have a problem that we don't, today I understood when I was listening to some testimony in Concord that there are some 56 or 57 hardship or reverse mortgage cases that we have in this City and I don't

think the people on this Board are even aware of that. I think that is something that we should be looking at and should at least have purview to.

Mayor Baines stated I think we are on the same wavelength in terms of this. The idea of accountability is paramount, but also understanding as a Board what is happening with the tax base. Unless we were to really delve into what is happening with abatements, we would have no clue in terms of the way different properties have been adjusted from the way they have been valued. I think the idea of the Board receiving regular reports on exactly what happens has merit but this gets back to Alderman Guinta's question. It should be an open process. We should have...what is happening with properties? A legitimate question is why has X, Y, Z property been reduced by several hundred thousand dollars or millions of dollars? I think that is a legitimate discussion for the Board of Mayor and Aldermen or through the Committee structure to have but that is the openness of the process that we do not have. Getting back to the essence of what you said, Alderman, I think we should at least open the door to that and maybe not settle this issue entirely tonight, however, I have to say to you that I believe it would function in this way, a little bit different than the way you said it. That as the responsibility of the Chief Assessor, Mr. Tellier would not be making, under my proposal, the decisions on abatements. I think that is a legitimate discussion for the Board of Mayor and Aldermen or through the Committee structure to have but that is the openness of the process that we do not have. Getting back to the essence of what you said, Alderman, I think we should at least open the door to that and maybe not settle this issue entirely tonight, however, I have to say to you that I believe it would function in this way, a little bit different than the way you said it. That as the responsibility of the Chief Assessor, Mr. Tellier would not be making, under my proposal, the decisions on abatements. What he would be doing is making recommendations to this part-time Board based upon information. For example, if the Board agreed with him they would affirm the abatement. If they disagreed with him then the property owner would have the chance to appeal that recommendation to the part-time Board of Assessors. That is the way I would see it working. That is a little bit different than the way you described it.

Chairman Gatsas stated I don't think the statute allows you to do that. I think it says that you must go to the Board of Tax and Land Appeal if you don't agree as a homeowner on the tax evaluation once the abatement is done. I think that is the only process you have after that, according to State statute.

Mayor Baines replied I don't think we are disagreeing. I think the Board of Assessors would have the authority at the local level, the same as it does now yet it would be a part-time Board. The way I would see it functioning, and again this needs to be explored by the City Solicitor's Office and we have started some discussion about that, is that the job of the Chief Assessor would be to make

recommendations to the Board of Assessors. They would function on his recommendations so I don't think it would be in contrast with the law.

Alderman O'Neil stated may I suggest that maybe how the Board is made up we table right now because I heard another example of if we kept two Assessors with...I think we are all in agreement on the minutes of meetings reviewed by the Committee on Accounts based on what I am hearing. Maybe I am hearing it wrong but how that is structured we could probably be here until midnight trying to figure that out. If we could separate that part of it out, I don't think we necessarily have to solve that tonight. Maybe we could just talk about the proposal and the reorganization. There seems to be some, and I don't want to speak for the Mayor or Mr. Tellier or Mr. Nichols but there seems to be some consensus here other than one position with regards to the staffing and I think the right thing to do is there is going to be a transition period. My suggestion would be that for this transition period we still have two Assessors and still call Mr. Nichols an Assessor and when he leaves that would go down to a residential appraiser as it is listed here whenever that may be and I think we can at least get the reorganization moving forward.

Chairman Gatsas stated the problem that I have is that we as a City have an opportunity because we have the ability to have a Chief Assessor and appraisers at the City level. There are communities out there who do not have that so my thought process is that we should be looking at this as a revenue source because if we hire two more people we may be able to go out and do the revaluation for Candia because as a City we can do that according to the new statutes that are in place. If we have that ability then we should be looking at this in a different light and not just a restructuring of what we can do in the City because we need to find new revenue sources. This could be a vital revenue source for the City of Manchester.

Alderman O'Neil stated isn't what I will call the success in Nashua the fact that they have more people out in their city in the field. Isn't that the basis for this whole thing? I am not disagreeing with what you are saying but I would not want to see us worrying about doing a revaluation in Candia when we should be doing properties in Manchester to get our tax base up because whatever they can generate for an hourly or fee revenue in Candia is nothing compared to what property values could be in the City of Manchester. I have no problem talking about that but I hope our first intent would be to serve the City of Manchester.

Chairman Gatsas replied I don't question that in the least but we need to find a revenue source and if that means hiring two more appraisers so that we can expedite the work in the City of Manchester and go to Candia to do it then that is something we should be looking at because to look at this and say we are reducing

the number of people working there because we are looking to save money when we can go to Candia and charge them \$300,000 for a revaluation that may take us two weeks or three weeks because it has to be done every two or three years now. That is the mandate.

Alderman O'Neil responded I don't see a reduced number of people. I see 10 people as opposed to 7.

Chairman Gatsas replied well the Assessor's proposal is asking for 11.

Alderman O'Neil stated so there appears to be one difference of a full-time Assessor.

Chairman Gatsas replied what I am saying is that for \$76,000 we may be looking at this and saying instead of 10 maybe we should put 12 in and we should hear from the Assessor to see what time-frame we are looking at so that we can create a revenue source because that revenue source going to the small communities is going to be vital to this City.

Alderman O'Neil stated if I understand looking at this, isn't the \$76,000 supposed to be applied to hiring a couple of new appraisers.

Chairman Gatsas replied the Mayor's budget with the numbers that I just came to is \$473,000 in wages based on the numbers that Ms. Lamberton just gave us for those 10 positions.

Alderman O'Neil asked so the savings in not filling the third full-time Assessor's position...I thought the intent of that was to hire at least two appraisers as soon as possible.

Chairman Gatsas stated I can only tell you that the numbers they gave us on this sheet here is \$472,000.

Mayor Baines stated you are both right. Basically what you are doing is not filling that position. If you were to fill that position you would be adding another...well depending on the range of the salary you could be filling that position another \$75,000 to \$80,000 and we are not doing that. That is when I had talked originally about having to spend more...Mr. Tellier and I agree that we have to spend more in this department to meet our responsibilities. I just don't think we do it with a three member high-priced Board of Assessors when we can do it at a less expensive rate and really accomplish what Alderman Gatsas is talking about – hiring more people to do the appraisal work. I think we would be foolish not to explore Chairman Gatsas' idea going forward but our first effort must be to fill the

necessary positions in a timely manner that falls within our budgetary constraints that are before us, especially for the rest of this fiscal year and dealing with everything effective July 1 at the beginning of the next fiscal year. We are not far off on our ideas here.

Alderman Osborne asked the five-member board, what type of qualifications would they have.

Mayor Baines answered that is what we would sit down and talk about. We would talk about developing some guidelines and recruit people who obviously had some expertise in this area. The other part of it is that when you fill these boards the concept of our government is to have citizen boards. It is kind of like saying to Aldermen should we have qualifications for you to be an Alderman? You have to make judgements as an Alderman as a citizen and citizen boards, from my perspective in having been around government for a fairly long period of time, take their responsibilities quite seriously. They go through training programs so that they understand the process. If you talk to people who get on the Planning Board and Zoning Board, they learn about zoning laws and regulations. The same thing happens on the Planning Board. You don't have to have an expert appraiser on these citizen boards. I was talking to the mayor of Nashville, Tennessee who has become a very close, personal friend of mine. He has a citizen's board that acts on appeals that take place on abatement requests. Citizens. Just average citizens, neighbors who are willing to serve government. I think we could do the same thing with this Board as well.

Alderman Osborne asked how can they decide on the appraised value if they are just ordinary laymen. I don't understand that.

Mayor Baines answered in all due respect I would suggest that you sit in on a Planning or Zoning Board meeting and look at how citizens learn government. That is the whole concept of our government. In Londonderry, I believe and Steve would perhaps know better than I would, but I think the Board of Selectmen in Londonderry serve as the Board of Assessors. Am I correct, Steve?

Mr. Tellier replied yes.

Mayor Baines stated so that is very common.

Chairman Gatsas stated but that is because they don't have an assessor. That is an RSA.

Mayor Baines replied that is correct but my point is that you might have the authority to appoint a sub-committee of the Board as a Board of Assessors if you

so chose. First of all we are going to make good appointments and they are going to be confirmed by the Board of Mayor and Aldermen to get qualified people into those jobs.

Alderman Guinta stated I have no problem looking at a reorganization to try to save some money and maybe increase revenues but the concern I have is the process that is taking place. One of the things that I don't think has been answered fully at this point is the guidelines. To me it makes sense that if we are going to reorganize this entity, doesn't it make sense for us to at least have the guidelines in place in terms of requirements for the volunteer board in terms of how we are going to transition from what we have currently into what we expect to have in the future? Who is going to move from this current entity into the new entity and how that whole process takes place? Shouldn't we have that in place and take a full vote inclusive of all of that information and that detail because that will have a very, very important impact on how we move from the current structure to this future structure.

Mayor Baines replied to answer the second part of your question, I think that is pretty clear. The existing personnel would move into the new chart and you would be hiring additional appraisers. That is very, very clear. That question is already answered.

Alderman Guinta stated so we are not looking at losing any employees.

Mayor Baines replied no.

Alderman Guinta asked so we are keeping the same personnel in place with maybe some changes in terms of grades.

Mayor Baines replied that is correct. I need to repeat something I said at the last meeting of Human Resources. These are good people we have in these positions. If you were looking for a good neighbor or good friend, we certainly have that capacity in these two individuals. I am not interested in hurting anybody. I am interested in drawing upon their expertise, looking at a transition period with a structure that makes more sense, that is more responsive and that meets our responsibilities. The only unanswered question, I believe, that is out there for your consideration is the idea of an independent, part-time Board of Assessors. I believe that that can be structured...

Chairman Gatsas interjected not to interrupt you but I thought that maybe adding some more people so that we can do assessments in other cities would also be on our table because the revenue sources that we have are limited.

Mayor Baines responded that is correct.

Chairman Gatsas stated I guess we need to hear from Mr. Tellier on what that might be.

Mayor Baines replied that is fine and I would agree with you on that if that is something...I don't know how you solve that tonight or whether or not Candia would even be interested in our services. I don't want to add personnel to service Candia or any other community who may decide they don't want to use us and then incur an expense that we might not need. That is really the only difference that we have. Do we need to find ways to create more revenue? Absolutely.

Alderman Lopez stated I just want to bring a couple of points to your attention. When the HR Committee did approve this, we approved the concept of it and we talked about the eight or nine people and after much discussion with the Assessor, these people need some people down there. They need people now to do the work that is at hand or next year we are going to be regretful that they are going to have to come in and ask for \$700,000 in order to do the job that is at hand. I think you are aware of that and I agree with you on the State statute that it is possible to get revenue in the long run and if we take on other cities, to me that is down the road and if we can do that we would hire another appraiser and get our money from those cities. That is revenue that we would have but to answer one of the Aldermen over there who mentioned that things should be in place, the major key is do we want to reorganize. In Nashua, you had to create an ordinance. In Concord, you had to create an ordinance to get this stipulation as to the qualifications that you want to have these people have but most importantly it makes no difference. Once they are appointed as the Board of Assessors they still have to comply with all State statutes and there are a lot of them and I am sure Steve can bring everyone up-to-date. I just wanted to point out those couple of things there. The issue at hand is without more people in the Assessor's Office we are going to suffer and we are going to suffer penalty wise. Thank you.

Chairman Gatsas asked can we hear from the Assessor.

Alderman O'Neil stated before the Mayor runs away can I ask him one question. It was your intent to take the savings...I want to make sure I am clear on this, by not filling the third Assessor position it was your intent to take those savings and attempt to hire at least two people as soon as possible is that correct.

Mayor Baines replied that is correct.

Alderman O'Neil stated and whether or not there were monies available this year, which there may not be or we may have to budget in the FY04 budget for those additional positions.

Mayor Baines replied that is correct.

Alderman O'Neil stated it was to get two on board as quickly as possible.

Mayor Baines stated the issue is just how we are getting through this fiscal year and just so you are aware, getting back to...

Chairman Gatsas interjected maybe I am lost now because I am a little confused. What you are saying, your Honor, is that you are not hiring right away?

Mayor Baines replied we have an issue. As you know we haven't settled on the budget. Because of what happened with the tax base I have put into place a hard freeze on positions in City government right now until final decisions are made at the end of this month. I have not been approving positions in City government. At the present time, I believe Steve has two positions that have not been filled because of that freeze.

Chairman Gatsas stated this proposal that Ginny just handed to us, the 10 positions, what you are saying is that the 10 positions have not been approved to be hired.

Mayor Baines replied that is correct until we get a sense of what the financial situation is with the City and also with the finances in this department. We have to look at contingency. We may have to take money out of contingency to fill these positions. We need to do the financial analysis to find out exactly when we can fill these positions as with every other department in the City. The issue going back to what Alderman O'Neil said, first of all we have a pay out that is going on with Mr. Porter's severance that is coming out of Steve's budget so those are decisions that are going to have to be made once we finalize the financial situation of the City, which we have not done yet.

Chairman Gatsas stated when you are giving us a re-evaluation of the Assessor's Office and you are saying to us that currently they are at seven positions and the reorganization is to move them to ten and the Assessor is looking for eleven and the only position that your ten doesn't fill is the third Assessor in essence, that we haven't hired those people...we are not hiring those additional four employees to take over what we think is a problem that is going to arise next year. You may say we can't do this in eight months and we are still going to be four people short there.

Mayor Baines replied you are right. I believe if I followed you, you are absolutely correct. We have a very tenuous financial situation in the City right now that we may have to make decisions, for example, on the budget that we approved for this department we made additional cuts and didn't include any additional positions. We have done that throughout the City so if, in fact, we are going to look at what it is going to take to get us up to that 10 are we going to be able to do it right now, no unless there are some additional appropriations or budget transfers to that office the money is simply not available in our budget right now. That is a reality of what we are going to have to deal with.

Alderman O'Neil stated I guess I understood that the intent here was to try to get two, whether it was two commercial or two residential or whatever the Assessor recommends but it could be phased in and either we hit contingency or find another revenue source this year or the balance of the positions are going to have to be put in the FY04 budget.

Mayor Baines replied we have asked the Finance Department to do an analysis of how we are going to get there looking at the financial situation of this particular department.

Alderman O'Neil stated we must keep in mind that one of those customer service reps positions is vacant as well currently so you are talking about filling five positions right off the bat, which we may not have the money to do right off the bat.

Mayor Baines responded the consensus that I got from the Board as we faced this new information that surfaced with the tax base was that we had to keep the hiring freeze on, which I have kept on. I have made very few exceptions to that freeze. We still do not have two Deputy Police Chief positions filled in the City. Every department can give you a list of positions that were not filled. I think there are three or four positions in the Finance Department that haven't been filled as well. We are in some tough times here.

Alderman O'Neil asked would it be your intent that you would think we would get there no later than July 1, 2003.

Mayor Baines answered we have to get there no later than July 1, 2003. We have to find a way to do that. We are in total agreement on that. We have to get there no later than and we need to add some positions if we can this year.

Alderman O'Neil stated that isn't that far off. It is eight months.

Mayor Baines replied yes and if we can find the financial resources to do it we should add at least two appraiser positions immediately if not sooner.

Mr. Tellier stated good evening members of the Committee.

Chairman Gatsas stated while they are passing the information out, let me ask you a couple of questions. How many employees do you have in-house right now?

Mr. Tellier replied five. Two appraisers and three administrative personnel.

Chairman Gatsas stated you went over the numbers we have. You are an assessor and Mr. Nichols. What other positions are currently filled? The Assistant to the Chief Assessor? Is that a filled position?

Mr. Tellier replied yes.

Chairman Gatsas asked what other positions.

Mr. Tellier answered the Engineering Technician.

Chairman Gatsas asked and what other one.

Mr. Tellier answered one Customer Service Rep position.

Chairman Gatsas asked, which is a L/G 13.

Mr. Tellier replied yes.

Alderman Osborne asked, Steve, what would be the bottom line...

Chairman Gatsas interjected I think he was going to give us a presentation first. I don't know if you want to wait for that or not wait for that.

Alderman Osborne stated I just wanted to know what the bottom line is between your proposal and the Mayor's.

Mr. Tellier replied if you look at the sheet that the Mayor handed out and then there is a sheet that I handed out here with two scenarios – Manchester Revised 1 and Manchester Revised 2. Under the Mayor's Assessors proposal, he has a salary amount of \$528,103. Now I don't have the breakdown on how that was arrived at but I can point you through the sheet that I have handed out that shows 11 positions and these are salaries only...I can only address the salaries. I would like to state for the record that I applaud the Mayor's second edition of what he

submitted that shows the need for the appraisal staff. I think that is clear and recognized by the Mayor's Office, our office and the Board of Aldermen as well. If you looked at Revised 1 at the very bottom it tells you what it is. It retains a full-time board at L/G 26 and creates four additional positions. If you take that \$512,937 and you take the only position that is not in the Mayor's proposal and you deduct that \$27,622, that balance goes to \$485,315. The only position that is not in the Mayor's proposal is the Administrative Assistant III at \$27,622. Does everybody see that? If you deduct that one salary line, that one position, bringing us to 10 as well, that bottom line number is \$485,315.

Alderman O'Neil asked what is the position you are suggesting the Mayor left out.

Mr. Tellier answered I am trying to compare apples to apples for you. In the Mayor's proposal he has three administrative people – two Customer Service positions and the Assistant to the Assessor. This proposal with 11 had provided for a dedicated data entry person to assist with all of the changes that are coming into the office by the appraisal staff.

Alderman O'Neil stated he has that in his. He has an Appraiser Technician Data Collector, L/G 14.

Mr. Tellier asked where do you see that.

Alderman O'Neil answered that is on the chart he handed out.

Mr. Tellier stated that is a data collector.

Alderman O'Neil replied I see the difference as the third Assessor. That is where I see the difference.

Mr. Tellier stated for all intents and purposes, if you call the Assessors appraisers, if you look at the Mayor's outline on the right side is the administrative staff. There is the Assistant to the Chief Assessor and two Customer Service Rep. Positions. In this proposal that is submitted for you, there is one additional administrative position. That is the difference. If you deduct that, it is \$485,315 or if you were to reduce...let's say the decision by this Board is to retain a full-time Board of Assessors and you change them to Deputy Assessors or you change the grade, that was in the second revision and that number would go down to \$477,500.

Alderman O'Neil stated I am confused. The Mayor only shows keeping a Chief Assessor and Mr. Nichol's position during the transition period. You show three Assessors so the difference is not an administrative person it is the third Assessor.

Mr. Tellier stated I am trying to match position to position. The Board of Assessor's members are appraisers as well.

Alderman O'Neil stated I understand that but he is not showing three appraisers at L/G 24 or above.

Mr. Tellier replied that is correct and in a City of this complexity and this magnitude and diversity in a City of this type if you go to...

Chairman Gatsas interjected let me just get a couple of questions answered here. With all of the numbers that we have just gotten and I am usually pretty good with numbers, you thoroughly confused me. You currently have five employees. Is it your understanding that the hiring freeze at the Assessor's Office will continue from now until July of next year? Is that what your understanding is?

Mr. Tellier replied that is my understanding.

Chairman Gatsas stated so your wage base has gone from \$395,000 that this Board approved to \$289,000.

Mr. Tellier replied that is correct.

Chairman Gatsas stated so there is some \$110,000 worth of savings and we are not giving you any new people. Is that correct, your Honor? Are you giving them any new people from now until when the...are you allowing them to hire any new positions?

Mayor Baines replied we have to. Once we finalize this year's budget situation...I think we are going to have a special meeting at the end of October, then I will be in a position to authorize them to fill the positions. The answer is yes; it is just a matter of when we are going to authorize them.

Chairman Gatsas stated well before we should be doing this we should know what is going in there so that somebody has an idea of what positions they are filling. When we cut some \$106,000 from wages and not knowing what direction they are going in and we are looking to tell them we don't think you are doing it right because we need an assistant board here to make decisions for you, there aren't enough bodies in there to do the work now.

Mayor Baines replied we agree on that but I think the Assessors made that very clear during the budget process last year when Steve came in with a proposal to

add these positions during the budget process and the Board made a decision that we couldn't afford to fund these positions.

Chairman Gatsas stated but we aren't even giving him the seven positions as of today. We are waiting until the end of October to give him two more.

Mayor Baines stated maybe I haven't made this as clear as I need to but we are in a budget crisis in the City right now. We have frozen all positions in the City and until there is clarity on the budget situation...what if the Board had come back and said we are going to cut another 3% from all departments? I have heard proposals like that from time to time. What kind of a position would the Assessors be in at that point in time if they added these positions? Until the budget is settled, I do not believe I can authorize the two positions.

Chairman Gatsas replied I am not saying the positions. I am saying that this Board approved in your budget \$395,000 worth of salaries for the Assessors. Currently, today, with the five people they have they are at \$289,000. I guess what we are saying to them is we are looking to cut their budget some 20%.

Mayor Baines responded in smaller departments you are right but we have unfilled positions in every single department in the City right now, including two Deputy Chief positions in the Police Department.

Chairman Gatsas stated but those were part of the budget process that we went through. This is now a 20% cut from where they started.

Mayor Baines asked are you talking about the frozen positions. The two positions they haven't been able to fill because of the freeze? Well we have three positions in the Finance Department like that right now.

Chairman Gatsas stated but those weren't created after the budget, they were created before the budget.

Mayor Baines stated but when positions become vacant we are not filling them because of the budget crisis. That is the reality and until the numbers are settled it would not be responsible for me to fill these positions.

Chairman Gatsas replied I agree with you but how is it responsible for us to look at a proposal when we don't know if they are going to six or to ten. We are looking at something that says here are the positions, we are giving you the ten and we are looking for a reorganization. You may say at the end of October we can't give you ten but we can probably give you six.

Mayor Baines responded that is true.

Chairman Gatsas asked so wouldn't it behoove us to wait until your numbers are in place and we can say yes we can go forward with something.

Mayor Baines replied well we need to look at...we are not that far apart in terms of what we are recommending here. I think to move forward with at least Committee approval of the 10 positions with the restructuring and then make it clear that once the numbers are final to authorize the department head to go and fill those positions.

Alderman O'Neil stated theoretically Steve and we are not going to solve part-time board or full-time board tonight but theoretically we can do this with two Assessors instead of three Assessors.

Mr. Tellier replied with the additional appraisal staff, yes.

Alderman O'Neil asked that is what is going on today, correct.

Mr. Tellier answered yes and it occurred once before.

Alderman O'Neil stated so with the additional people at the lower grades maintaining two Assessors...

Mr. Tellier interjected that is correct and it occurred before from 1991 through 1994 the Board operated with two Assessors.

Alderman O'Neil asked and that wouldn't handcuff the department in my opinion.

Mr. Tellier answered that is correct. In closing, and I will keep it very simple, I did pass out what was called Fiscal Year 03 Compromise. The fact is that being down to five people...I am afraid for my Customer Service Representative who I think is going to have a nervous breakdown with the amount of traffic and calls in our office. We need that additional low paid Customer Service position to service the taxpayers, customers, economic development and everything that is needed out there. What I have presented to you in this compromise is not filling retired Assessor Porter's position, hiring another residential appraiser and a data collector, filling the Customer Service Representative position and maintaining the current Board through this fiscal year, getting through the process and Alderman Gatsas you are absolutely right, we need additional revenue sources. I haven't spent any time looking at facilitating revaluations in another community although that legislation exists, however, what I have spent time investigating are those municipalities that have appraisers out in the field and they are gaining at least 1%

revenue growth just in discovering new construction and new additional values that is done without benefit of permit. So by and large we are finding at least 1.5%. 1% in the City of Manchester is approximately \$50 million. Once we get some appraisal staff out there, you are looking at a growth of additional value out there of \$50 million. That doesn't include the permit process.

Alderman O'Neil stated I agree with the Mayor. I don't think we are far off on this thing at all. We haven't resolved the Board issue but I think with regards to staffing we are not far off.

Chairman Gatsas replied with all due respect I disagree with both of you because we don't know if we can hire new employees come the end of the month so for somebody to sit here and say to me we are not far off when the budget constraints could be at five for the Assessors until the end of the year, we are a long ways away from eight or ten or five.

Mayor Baines stated I think I agree with Alderman Gatsas at this point in time. Because there is financial uncertainty I would recommend that this Committee table this until the Board has made final financial decisions but I believe the discussion has been worthwhile because I think we have moved to find common ground to accomplish what we all need to accomplish at the end of the day. So I think this discussion has been fruitful but I think right now I would like the Assessors to devote all of their time to dealing with the issues of the abatements and things of that nature and get this whole thing out of the debate it has been in right now and the fact that we are moving towards some compromise and spend less time, if you will, lobbying individual Aldermen and just focus on the business of the day I think would be more productive at this time. I just recommend that you table this at this time because we need to start another meeting.

Chairman Gatsas stated I am going to cut this short because I think we need to...do I have a motion to table.

On motion of Alderman Guinta, duly seconded by Alderman O'Neil, it was voted to table the proposed reorganization of the Board of Assessors.

Review and discussion relative to the proposed consolidation of the Departments of Health, Elderly Services and Youth Services.

On motion of Alderman O'Neil, duly seconded by Alderman Guinta, it was voted to table the proposed reorganization of the Health, Elderly Services and Youth Services.

Alderman O'Neil asked should we take these one at a time as we move forward.

Chairman Gatsas answered I certainly would like to do that. I didn't know the other one was on here until we got the agenda.

There being no further business, on motion of Alderman Guinta, duly seconded by Alderman Forest, it was voted to adjourn.

A True Record. Attest.

Clerk of Committee